

House File 2427 - Reprinted

HOUSE FILE 2427
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 655)

(As Amended and Passed by the House March 7, 2012)

A BILL FOR

1 An Act relating to electrical and mechanical amusement devices
2 concerning liability for device distributors and penalties
3 for awarding cash prizes for the use of, or for failing to
4 include a security mechanism on, electrical or mechanical
5 amusement devices.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99B.10, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 5. Notwithstanding any provision of this
4 section to the contrary, a distributor shall not be liable
5 for a violation of this section unless the distributor, or an
6 employee of the distributor, intentionally violates a provision
7 of this section.

8 Sec. 2. Section 99B.10B, subsection 1, Code 2011, is amended
9 to read as follows:

10 1. a. The department may deny, suspend, or revoke a
11 registration issued pursuant to section 99B.10 or 99B.10A,
12 if the department finds that an applicant, registrant, or
13 an agent of a registrant violated or permitted a violation
14 of a provision of section 99B.10, 99B.10A, or 99B.10C, or a
15 departmental rule adopted pursuant to chapter 17A, or for
16 any other cause for which the director of the department
17 would be or would have been justified in refusing to issue a
18 registration, or upon the conviction of a person of a violation
19 of this chapter or a rule adopted under this chapter which
20 occurred on the premises where the registered amusement device
21 is or is to be located. However, the denial, suspension, or
22 revocation of a registration for one amusement device does
23 not require, but may result in, the denial, suspension, or
24 revocation of the registration for a different amusement device
25 held by the same distributor or owner.

26 b. However, a person who commits an offense of failing to
27 include a security mechanism on an amusement device as required
28 pursuant to section 99B.10, subsection 1, paragraph "m", shall
29 be issued a warning letter by the department. A person who
30 commits, within two years, a second offense of failing to
31 include a security mechanism on an amusement device shall be
32 subject to the provisions of paragraph "a".

33 Sec. 3. Section 99B.10B, subsection 2, Code 2011, is amended
34 to read as follows:

35 2. a. ~~The department shall revoke a registration issued~~

1 ~~pursuant to section 99B.10 or 99B.10A, for a period of ten~~
2 ~~years if a person commits an offense of awarding a cash prize~~
3 ~~in violation of section 99B.10, subsection 1, paragraph "b",~~
4 ~~pursuant to rules adopted by the department. A person who~~
5 commits an offense of awarding a cash prize of twenty-five
6 dollars or less in violation of section 99B.10, subsection 1,
7 paragraph "b", pursuant to rules adopted by the department,
8 shall be issued a warning letter by the department.

9 b. A person who commits, within two years, a second offense
10 of awarding a cash prize of twenty-five dollars or less in
11 violation of section 99B.10, subsection 1, paragraph "b", or
12 a person who commits an offense of awarding a cash prize of
13 more than twenty-five dollars in violation of section 99B.10,
14 subsection 1, paragraph "b", pursuant to rules adopted by the
15 department, shall be subject to revocation of the person's
16 registration and the following:

17 (1) If the person whose registration is revoked under this
18 subsection who paragraph "b", is a person for which a class "A",
19 class "B", class "C", special class "C", or class "D" liquor
20 control license has been issued pursuant to chapter 123, shall
21 have the person's liquor control license shall be suspended for
22 a period of fourteen days in the same manner as provided in
23 section 123.50, subsection 3, paragraph "a". A

24 (2) If the person whose registration is revoked under this
25 subsection who paragraph "b", is a person for which only a
26 class "B" or class "C" beer permit has been issued pursuant to
27 chapter 123, shall have the person's class "B" or class "C"
28 beer permit shall be suspended for a period of fourteen days
29 in the same manner as provided in section 123.50, subsection
30 3, paragraph "a".

31 ~~b.~~ (3) If a person owning or employed by an establishment
32 having a class "A", class "B", class "C", special class "C",
33 or class "D" liquor control license issued pursuant to chapter
34 123 commits an offense of awarding a cash prize in violation of
35 section 99B.10, subsection 1, paragraph "b", pursuant to rules

1 ~~adopted by the department as provided in this paragraph "b",~~ the
2 liquor control license of the establishment shall be suspended
3 for a period of fourteen days in the same manner as provided in
4 section 123.50, subsection 3, paragraph "a".

5 (4) If a person owning or employed by an establishment
6 having a class "B" or class "C" beer permit issued pursuant to
7 chapter 123 ~~awards a cash prize in violation of section 99B.10,~~
8 ~~subsection 1, paragraph "b", pursuant to rules adopted by the~~
9 ~~department~~ commits an offense as provided in this paragraph
10 "b", the beer permit of the establishment shall be suspended
11 for a period of fourteen days in the same manner as provided in
12 section 123.50, subsection 3, paragraph "a".